

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House  
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**FISCAL IMPACT STATEMENT**

**LS 6164**  
**BILL NUMBER: SB 259**

**DATE PREPARED:** Nov 9, 2000  
**BILL AMENDED:**

**SUBJECT:** Funding for arson investigations.

**FISCAL ANALYST:** David Hoppmann  
**PHONE NUMBER:** 232-9559

**FUNDS AFFECTED:** X **GENERAL**  
**DEDICATED**  
**FEDERAL**

**IMPACT:** State & Local

STATE IMPACT	FY 2001	FY 2002	FY 2003
State Revenues			
State Expenditures		78,200	
Net Increase (Decrease)		(78,200)	

**Summary of Legislation:** This bill appropriates \$78,200 from the State General Fund to the Fire and Building Services Department (the Department) for deposit in the Statewide Arson Investigation Financial Assistance Fund (Assistance Fund) to provide money to prosecuting attorneys, police departments, the State Police Department, arson task forces, and fire departments that have investigating teams or arson task forces.

**Effective Date:** July 1, 2001.

**Explanation of State Expenditures:** This bill appropriates \$78,200 from the State General Fund in FY 2002. The Department currently administers the Assistance Fund, and monies from the Assistance Fund are distributed by the Office of the State Fire Marshal in accordance with the Fire Prevention and Building Safety Commission and the Insurance Commissioner of Indiana. The provisions of this bill would not result in a significant administrative cost to the Department or to the Office of the State Fire Marshal.

*Background-* Prior to FY 1989, Assistance Fund revenues were generated by a 1/2% tax paid by fire insurance companies on gross premiums received on fire risk. Public Law 245-1987 removed the statutory transfer provision that enabled the Assistance Fund to receive fire insurance tax monies. The 1/2% tax still exists today and generates monies for the Fire and Building Services Fund (fire insurance tax revenues for FY 2000 totaled \$1,983,713.21).

Currently, there are \$21,803 in the Assistance Fund for potential distribution to the entities described above.

The last reported activity of the Assistance Fund occurred during FY 1988 and generated the above balance of \$21,803. Since that time, the Office of the State Fire Marshal has made no distributions , and the balance has remained unchanged.

**Explanation of State Revenues:** The provisions of this bill could result in additional monies being distributed to the State Police in order to defray the cost of arson investigations. Specific figures are currently indeterminable and would depend upon action taken by the Office of the State Fire Marshal.

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:** The provisions of this bill could result in additional monies being distributed to prosecuting attorneys, police departments, arson task forces, and fire departments to help defray the cost of arson investigations. Specific figures are currently indeterminable and would depend upon action taken by the Office of the State Fire Marshal.

**State Agencies Affected:** Fire and Building Services Department, Office of the State Fire Marshal, State Police.

**Local Agencies Affected:** Prosecuting Attorneys, Police Departments, Arson Task Forces, and Fire Departments.

**Information Sources:** Mara Snyder, Staff Attorney, Office of the State Fire Marshal, (317) 233-5341; State Budget Agency, Office Automation System.